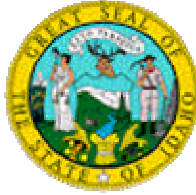


State of Idaho

Send invoices to the address
listed
below or as indicated in the
comments or instructions field
Boise, ID 83720-0075



State of Idaho

THIS NUMBER MUST
APPEAR
ON ALL DOCUMENTS

Contract Purchase Order
CPO01054 - 02

Contract Purchase Order
CHANGE ORDER - 02

DELIVER TO:

Dept of Administration
Info Tech & Comm Services
650 W State Street
Boise, ID 83702

Date: Wed Aug 23, 2006
F.O.B: Destination
Terms:

VENDOR: KEY GOVERNMENT FINANCE
LEASING MANAGER
1221 SW FIFTH AVE. SUITE 400
PORTLAND, OR 97204
Attn: LEASING MANAGER
Emailed To: kendall.hansen@key.com
Phone: 503-790-7624
Fax: 503-790-7574
Account Number: P00000039390

Start of Service Wed Oct 18, 2006
Date

End of Service Fri Oct 17, 2008
Date:

RFQ#: [RFQ01458](#)
DOC#: PREQ2441

File(s) Attached:



KeyInfo.doc

Buyer: [State Purchasing CC](#) 208-327-7465

Item No	Description	Quantity UOM	Unit Price	EXTENSION
001	LEASE OF IDANET NETWORKING EQUIPMENT BRAND NAME NONSPECIFIC (946-54) (nt)	2 YEAR	500000.00	1000000.00
	Instr: See attached file for lease factors.			
	See File(s): KeyInfo.doc			
	Sub-Total:			1000000.00
	Total:			1000000.00
General Comments:	LEASE OF IDANET NETWORKING EQUIPMENT CONTRACT CPO01054-01 This contract amendment and the provisions hereof are hereby made part of that certain State of Idaho contract number CPO01054-01, for LEASE OF IDANET NETWORKING EQUIPMENT , for DEPARTMENT OF ADMINISTRATION, dated AUGUST 21, 2006, between KEY GOVERNMENT FINANCE LEASING MANAGER, as "Contractor" and the State of Idaho as "State." Contractor and State hereby agree as follows: All of the terms and conditions contained in the Contract shall remain in full force and effect, except as expressly modified herein. The effective date of this Amendment is AUGUST 23, 2006. This Contract is amended to reflect a change in pricing as shown above. The same terms, conditions and prices, AS AMENDED, prevail for the remainder of this contract. NO OTHER CHANGES NOTED			

Instructions:

Freight / Handling Included in Price

By: GREGORY D. LINDSTROM

LEASE AGREEMENT FACTORS

Expressed as a factor per thousand dollars (\$1,000) of equipment cost.

Schedule Dollar Volume	Monthly Arrears Payment Rent Factor	
Financing Term	<u>4yrs</u>	<u>5yrs</u>
\$0 - \$500,000	24.0764	19.8626
Over \$500,000	24.0764	19.8626
Schedule Dollar Volume	Quarterly Arrears Payment Rent Factor	
Financing Term	<u>4 yrs</u>	<u>5yrs</u>
\$0 - \$500,000	72.7054	59.9681
Over \$500,000	72.7054	59.9681
Schedule Dollar Volume	Semi - Annual Advance Payment Rent Factor	
Financing Term	<u>4yrs</u>	<u>5yrs</u>
\$0 - \$500,000	142.2048	117.3337
Over \$500,000	142.2048	117.3337
Schedule Dollar Volume	Annual Advance Payment Rent Factor	
Financing Term	<u>4yrs</u>	<u>5yrs</u>
\$0 - \$500,000	282.4222	233.0536
Over \$500,000	282.4222	233.0536

RATE INDEX: The rate factors provided above are based on market conditions as of the date of this proposal. The rate factors will be held for a period of 120 days and then will be subject to index.

LEASE: This is a municipal government fair market value lease with the title to the property retained by Lessor. This is a net lease under which, all costs, including insurance, maintenance and taxes, are paid by Lessee for the term of the lease. The lease payment under this financing structure is treated as the "rental" of equipment by the Lessee, and is considered a current expense of the Lessee. During the financing term the title to the equipment does not vest in the Lessee. At the end of the initial Lease term and each renewal term the Lessee will have the following options: (1) return the equipment to Lessor (2) to renew lease term but not to exceed a total of nine years.

CONTRACT: The information provided in this contract is based on and agrees with the terms and conditions of the State of Idaho bid 1154.